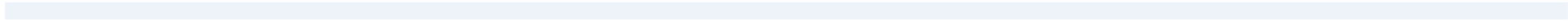


Introducing The Housa

**An investment that
tracks UK house prices**



We are a modern financial institution determined to make a difference to our customers through our products and our service.

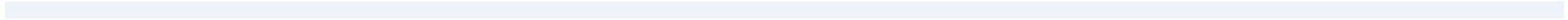
Our product range provides a smart and unique alternative to more traditional finance, inspired by listening to our customers and creating innovative solutions to meet their needs.

Based in the heart of the City of London, we are authorised by the Financial Conduct Authority. We launched in October 2012, with backing by US private equity firm J.C. Flowers & Co.

Investors with us have a choice between house price trackers (Housas) and fixed rate bonds (Fortress Bonds). Housas are available in two formats and you can choose to track an Index covering the whole of the UK or Greater London only. Fortress Bonds are designed to deliver competitive rates of interest over a range of investment periods.

Our mortgage products are available to residential property owners, (including buy to let landlords), in England and Wales to enable them to release capital, reduce monthly mortgage repayments or purchase further property.

We are led by a very experienced board of directors and executive management team. Our board includes Richard Ramsay, chairman of Seneca Global Income & Growth and the Rt. Hon. John Gummer (Lord Deben), former Secretary of State for the Environment. Please see pages 13 and 14 for detailed profiles of the directors and executive team.



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What is a Housa?

The Housa is an investment product that gives you a unique opportunity to access the residential housing market, by tracking either the UK or Greater London Halifax House Price Index (the Index).

You can choose between two types of Housa depending on your needs and circumstances.





Foundation Housas give you access to house prices over the medium to long term and return your principal investment to you if the Index is lower at maturity than at the time of investment.

Growth Housas give you access to house price movements over the short to medium term but, if the Index falls, your investment falls in value by the same proportion.

Housas should be considered as fixed term investments but early encashment is permissible if, at the time of your request to encash, the volume of Housa redemption requests that we receive does not materially exceed the volume of new Housa applications. If we permit you to encash early,

we will repurchase your Housa at a price reflecting the time of your request to encash with a fee of:

- 2.5% per annum for UK Housas (or part thereof) for the remaining period until the maturity date.
- 3.0% per annum for Greater London Housas (or part thereof) for the remaining period until the maturity date.

Housa type	Current Index options		Housa features	
	UK	Greater London		
Foundation Housa	5 and 10 year terms	5 and 10 year terms	 Minimum investment: £1,000	 Eligible within an ISA and SIPP
Growth Housa	2 and 5 year terms	2 and 5 year terms	 Maximum investment: £1 million	 No set up or management charges for direct investors

FSCS

Castle Trust is authorised and regulated by the Financial Conduct Authority to carry out regulated activity and is a participant in the Financial Services Compensation Scheme (FSCS).

The FSCS will pay compensation of up to £50,000 per eligible investor if Castle Trust is unable to meet its financial obligations.

For more information, please visit our website at www.castletrust.co.uk/fscs/.

What is the Halifax House Price Index?

The Halifax House Price Index (the Index) is an independent measure of UK house price movements and is published every month by Halifax, part of Lloyds Banking Group. First published in January 1983, it is the longest running UK house price survey, covering the whole country. The Index is derived from the mortgage data of one of the country's largest mortgage lenders, which provides a robust and representative sample of the UK market.

Halifax publishes both a national index and regional indices; Housas track either the UK Index or the Greater London Index, please see below and right.

The UK Halifax House Price Index

Published on a monthly basis, the UK Index is derived from properties across the whole of the UK. The average residential property value in this area, according to Halifax, was £187,362 in December 2014. Housas track the All Houses (All-Buyers) Non-Seasonally Adjusted version of the Index data.

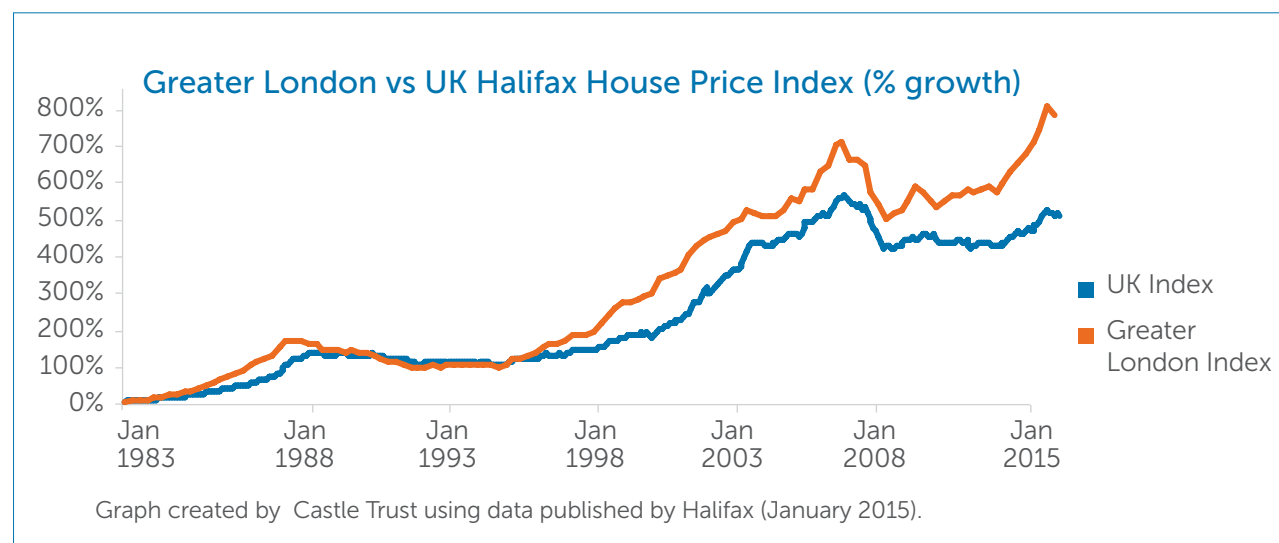
Average annual growth since inception: 6.0%*

The Greater London Halifax House Price Index

Published on a quarterly basis, The Greater London Index covers property prices across a broad swathe of the London area. The average residential property value in this area, according to Halifax, was £335,054 for Q4 2014. Whilst some property values from Central London are incorporated, these values do not dominate the Index. The Index covers

the same area as the government's Standardised Statistical Region of London, which comprises of 33 London boroughs. Housas track the All Houses (All-Buyers) Non-Seasonally Adjusted version of the Index data.

Average annual growth since inception: 7.3%*



Please remember that past performance is not a reliable indicator of future performance.

* Figures calculated by Castle Trust using data published by Halifax, part of Lloyds Banking Group (January 2015).

What is the Foundation Housa?

The Foundation Housa allows you to access house price movements, either across the UK or in Greater London only, over the medium to long term.

If the Index rises over the investment term, your capital will earn a return of 1.0x the rise in the Index over five years, and 1.5x over ten years.

If the Index is lower at maturity than at the time of your original investment, then Castle Trust will return the amount of your original investment to you. Castle Trust's obligation to return all of your original investment, should the Index fall, only applies if you hold the Foundation Housa for the full term through to maturity.

UK and Greater London Foundation Housa returns at maturity

Term	Gain if the Index rises*	Loss if the Index falls*
5 years	1.0 x Index rise	Original investment returned
10 years	1.5 x Index rise	Original investment returned

Potential returns on £1,000		
Index % change*	5 year	10 year
+20%	£1,200	£1,300
+10%	£1,100	£1,150
0%	£1,000	£1,000
-10%	£1,000	£1,000
-20%	£1,000	£1,000

*UK Halifax House Price Index or Greater London Halifax House Price Index as applicable.

The UK Foundation Housa

- Tracks the UK Index (published monthly).
- The starting point of your investment will be the level of the Index published in the month in which you invest.
- If permitted, early encashment is at a fee of 2.5% per year (or part thereof) for the remaining period until the maturity date (see page 12).

The Greater London Foundation Housa

- Tracks the Greater London Index (published quarterly).
- The starting point of your investment will be the level of the Index published in, or immediately prior to, the month in which you invest.
- If permitted, early encashment is at a fee of 3% per year (or part thereof) for the remaining period until the maturity date (see page 12).

The potential returns shown are for illustrative purposes only. They are not a reliable indicator of future performance.

Returns on Housas are paid to you gross of tax. Tax treatment depends on your individual circumstances and may change in the future.

What is the Growth Housa?

The Growth Housa allows you to access house price movements, either across the UK or in Greater London only, over the medium to short term.

If the Index is higher at maturity than at the time of your original investment, your capital will earn a

return of 1.0x the rise in the Index in the case of the 2 year Growth Housa, and 1.5x in the case of the 5 year Growth Housa.

If the Index falls, however, your investment will fall in value by the same proportion.

UK and Greater London Growth Housa returns at maturity

Term	Gain if the Index rises*	Loss if the Index falls*
2 years	1.0 x Index rise	1.0 x Index fall
5 years	1.5 x Index rise	1.0 x Index fall

Potential returns on £1,000		
Index % change*	2 year	5 year
+20%	£1,200	£1,300
+10%	£1,100	£1,150
0%	£1,000	£1,000
-10%	£900	£900
-20%	£800	£800

*UK Halifax House Price Index or Greater London Halifax House Price Index as applicable.

The UK Growth Housa

- Tracks the UK Index (published monthly).
- The starting point of your investment will be the level of the Index published in the month in which you invest.
- If permitted, early encashment is at a fee of 2.5% per year (or part thereof) for the remaining period until the maturity date (see page 12).

The Greater London Growth Housa

- Tracks the Greater London Index (published quarterly).
- The starting point of your investment will be the level of the Index published in, or immediately prior to, the month in which you invest.
- If permitted, early encashment is at a fee of 3% per year (or part thereof) for the remaining period until the maturity date (see page 12).

The potential returns shown are for illustrative purposes only. They are not a reliable indicator of future performance.

Returns on Housas are paid to you gross of tax. Tax treatment depends on your individual circumstances and may change in the future.

Why should you invest in a Housa?

Diversifying your investments

Housing, as an asset class, has low correlation with the price movements of other major asset classes. This makes a Housa a way of balancing your investment portfolio, complementing other asset classes such as equities.

An alternative to buy to let

Not everyone wants to, or is able to, own investment property. Until recently, buy to let was the only way to invest in residential property aside from owning your home. The Housa provides an innovative alternative with the added benefit of diversification. The small minimum investment means that more investors can gain access to housing market returns.

Saving for a mortgage deposit

The Housa can be an ideal way to save for a mortgage deposit, for you or, perhaps, for younger relatives. This is because your investment is aligned with either UK or Greater London property prices (depending on which Housa you choose) so, if the Index rises, your investment will increase by at least the same proportion. If the Index falls, your investment will not fall by more than the reduction in the Index.

How do you invest in a Housa?

We accept applications for Housas online, by post or by phone. To invest, you will need to be over 18 years old and you will need your National Insurance number. Payment online and by telephone is by debit card only.

Online



Go to castletrust.co.uk/how-to-invest/ and click on 'apply online now'. The maximum investment per transaction online is £50,000.

Post



Complete an application form (printable from castletrust.co.uk/how-to-invest/) and post it to us, with a cheque, to: Castle Trust, PO Box 11040, Chelmsford, CM99 2DD.

Telephone



Call **0844 620 0160** (Monday to Friday, 9am to 5pm).

If you would prefer to have application forms posted to you, please call **0844 620 0160** to request an application pack.

What does Castle Trust do with the money you invest?

Up to 80% of investment monies received are loaned by Castle Trust to UK residential property owners (including landlords) secured by mortgage, and a minimum of 20% of the funds you invest is held by Castle Trust in cash instruments.

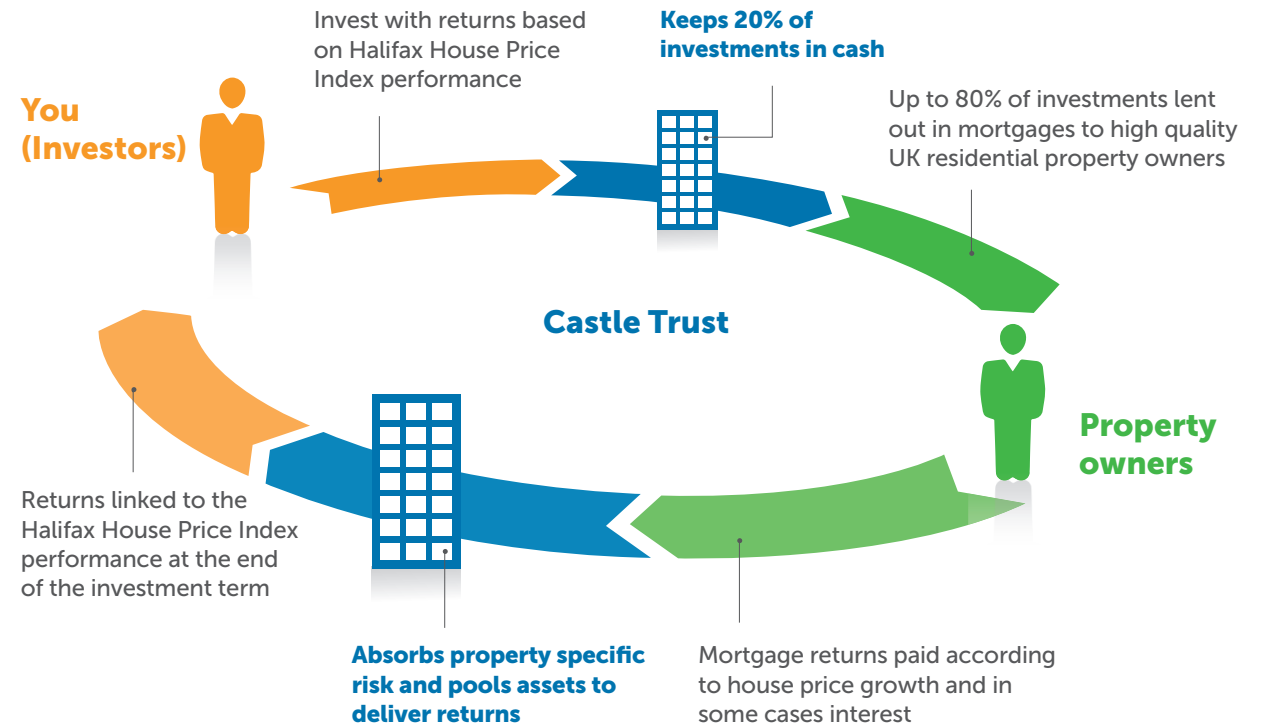
Castle Trust receives repayments on its lending. People who take out a mortgage with us will repay us a pre-determined proportion of either the increase in value of the mortgaged property or of the UK Index, and in some cases we receive interest.

These repayments and any returns on cash instruments held enable Castle Trust to pay your investment returns.

Housa structure

When you buy a Housa, you buy shares in a Jersey company, Castle Trust PCC. Castle Trust will buy the shares back from you at the end of the term at a price that gives you the investment return. The investment return depends on which Housa you have chosen to invest in and the change in the level of the (UK or Greater London) Halifax House Price Index since you invested.

Your investment flow



What are the risks?

Capital security

Past performance is not a reliable indicator of future performance. For Growth Housas, if the UK or Greater London Index is lower at maturity than at investment, you will get back less than you invested. Foundation Housa capital is returned to you provided the investment is held to maturity.

For all Housas you risk losing capital should Castle Trust become insolvent.

Early encashment

A Housa should be considered as a fixed term investment and you should not assume you have access to your investment prior to maturity. Prior to maturity, Castle Trust may agree to repurchase your Housa provided that, at the time of your request to encash, the volume of Housa redemption requests

received by Castle Trust does not materially exceed the volume of new Housa applications. Permitted early encashments incur a fee of:

- 2.5% per annum for UK Housas (or part thereof) for the remaining period until the maturity date.
- 3.0% per annum for Greater London Housas (or part thereof) for the remaining period until the maturity date.

Tax

Any tax reliefs mentioned are those currently available. Returns on Housas are paid to you gross. Tax treatment depends on your individual circumstances and may be subject to change in the future.

Index volatility

When choosing between the Greater London Index and the UK Index you should be aware that, based on historic performance, the Greater London Index has been more volatile than the UK Index. For example, in December 2014, the annual volatility of the Greater London Index was 11.1%*, compared with 9.4%* for the UK Index. This means that fluctuations in the Greater London Index have been greater than in the UK Index.

* Figures calculated by Castle Trust using data published by Halifax, part of Lloyds Banking Group (January 2015).

Castle Trust does not give advice on investment decisions. If you are at all unsure about the suitability of a Housa, please contact an independent financial adviser.

Board Directors



Richard Ramsay
Chairman

Chairman of Seneca Global Income & Growth and a director of John Laing Environmental Assets Group, listed investment trusts, and Chairman of Northcourt, URICA and Wolsey Group, privately owned companies providing financial services. Previous roles have included Chairman of Redcentric plc, a director of the Shareholder Executive, Managing Director of Regulation and Financial Affairs at Ofgem, director of Intelli Corporate Finance, Aberdeen Football Club, Ivory & Sime and Managing Director Barclays de Zoete Wedd.



Dr David Morgan AO

Managing Director of J.C. Flowers & Co for Europe and Asia Pacific. Non-executive director of OneSavings Bank. From 1999 to 2008, CEO of Westpac Banking Corporation, helping it grow to be one of Australia's largest banks and a top 20 bank worldwide by market capitalisation. Previously the second most senior member of the Australian Treasury.



Patrick Gale

Chairman of Defaqto, non-executive director of Aztec Group, non-executive director and chairman of audit and risk committees of Jardine Lloyd Thompson Employee Benefits UK, a senior advisor to Boston Consulting Group and formerly CEO of Sesame (the UK's largest IFA network).



The Rt Hon. John Gummer, Lord Deben

A former Secretary of State for the Environment (including the Ministry of Housing and Local Government). A Minister under Margaret Thatcher and John Major and now a director of a number of businesses concerned with environmental, social and ethical issues, including Chairman of Veolia Water UK, Valpak and Sancroft. Lord Deben is Chairman of the statutory Climate Change Committee.



Tim Hanford

Managing director of J.C. Flowers & Co, a director of OneSavings Bank, Pension Insurance Corporation (chair of Risk Committee), Compagnie Européenne de Prévoyance, Investment Trade Bank (Open Joint-Stock Company) & Cabot (Group Holdings) Limited. Formerly head of private equity at Dresdner and a director of Schroders.



Dame Deirdre Hutton CBE

Chair of the Civil Aviation Authority, a non-executive director of Thames Water, former deputy chair of the FSA, non-executive director of HM Treasury, chair of the National Consumer Council, Scottish Consumer Council and the Personal Investment Authority Ombudsman Bureau.



Sean Oldfield
Chief Executive Officer

Sean established Castle Trust in the UK prior to it being funded by J.C. Flowers & Co. Roles before that include being a division director at Macquarie Bank in London, running the Public Market Strategies Group, establishing a business in Australia which provided a shared equity mortgage product, and a mergers and acquisitions practitioner with Macquarie Bank in Sydney, Singapore, London and Madrid. Sean has degrees in Chemical Engineering (Hons) and Commerce (major in Finance) from the University of Sydney.



Matthew Wyles
Executive Director

Matthew spent the first 20 years of his career in insurance, first in underwriting and then as an Executive Director in the Global Reinsurance Division at Willis plc. After eight years as a main board director of the Portman Building Society, he joined the Board of Nationwide in 2007. From early 2009 to 2013 he served as Group Executive Director, Distribution responsible for the branch network, call centres, internet banking and regulated & intermediary distribution. Matthew was Chairman of the Council of Mortgage Lenders for two years in 2009 and 2010.



Keith Abercromby
Chief Financial Officer

Previously Group Finance Director of LV= and Finance Director for Norwich Union Life. With the Halifax from 1995, where Board roles included CEO of Halifax Financial Services and Halifax Life and Finance Director for HBOS Insurance & Investment Division, Clerical Medical and Halifax Life.

Executive Management Team



Sean Oldfield

Chief Executive Officer

Sean established Castle Trust in the UK prior to it being funded by J.C. Flowers & Co. Roles before that include being a division director at Macquarie Bank in London,

running the Public Market Strategies Group, establishing a business in Australia which provided a shared equity mortgage product, and a mergers and acquisitions practitioner with Macquarie Bank in Sydney, Singapore, London and Madrid. Sean has degrees in Chemical Engineering (Hons) and Commerce (major in Finance) from the University of Sydney.



Barry Searle

Chief Operating Officer

Barry has over 20 years' experience within financial services in building and managing mortgage and savings operations. Barry was Operations Director at Private Label

Mortgage Services, the largest Independent Mortgage packager when bought by GMAC RFC Limited in 2000. He was the Operations Director and then, after a period as the Marketing Director, became the Chief Operating Officer in 2003, responsible for Operations, IT, HR and facilities. GMAC RFC went from a start-up in 2000 to the 10th largest mortgage lender in the country in 2006. Barry was a Founding Director of Portillion Ltd, a start-up mortgage and savings bank, which closed in 2012, and then Chief Operating Officer of the Legal and General Mortgage division until December 2013.



Matthew Wyles

Executive Director

Matthew spent the first 20 years of his career in insurance, first in underwriting and then as an Executive Director in the Global Reinsurance Division at Willis plc.

After eight years as a main board director of the Portman Building Society, he joined the Board of Nationwide in 2007. From early 2009 to 2013 he served as Group Executive Director, Distribution responsible for the branch network, call centres, internet banking and regulated & intermediary distribution. Matthew was Chairman of the Council of Mortgage Lenders for two years in 2009 and 2010.



Tony Pauley

Chief Technology Officer

Tony was a principal at Mercer, part of the Marsh & McLennan Companies Group, from 1999 to 2010. Most recently he was the technology leader responsible for the launch of Mercer Dynamic De-risking Solution (MDDS), in the UK and Ireland. Before that he was responsible for replacing Mercer's pension-valuation systems globally (a six year, £30m project). As Global Business Architect for Mercer's Retirement business, Tony was responsible for making sure the pension systems conformed to local regulatory frameworks in the UK, US, Canada and Germany, as well as maintaining SAS70 certification of Mercer's Retirement Technology Group. Before Mercer, Tony was with Towers Perrin from 1995 to 1999.



Keith Abercromby

Chief Financial Officer

Previously Group Finance Director of LV= and Finance Director for Norwich Union Life. With the Halifax from 1995, where Board roles included CEO of Halifax Financial

Services and Halifax Life and Finance Director for HBOS Insurance & Investment Division, Clerical Medical and Halifax Life.

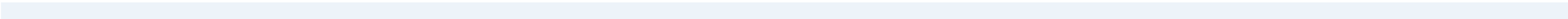


Mark Banham

General Counsel

Mark joined Castle Trust in April 2011, having worked in financial services since 1998. Prior to Castle Trust, he was Head of Legal for the alternative asset management

business of Phoenix Group (assets of £70bn) from 2008, supporting their fund of hedge fund, private equity and property businesses. Previous roles include Legal & Product Development Director at Skandia Investment Management Limited, as well as positions at Hogan Lovells, HSBC Alternative Investments and Aurum Funds. Mark is a Barrister (Inner Temple, 1996), with a Postgraduate Diploma in Law, and an Economics degree from Cambridge University.



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